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SUBJECT: HUNGARY'S ELECTIONS: PARSING ROUND ONE'S RESULTS
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Summary

¶1. (SBU) Only the April 23 second round of Hungary's elections will establish who may form the country's next government, but the wind is with the governing coalition. That alone is a first for Hungary's post-1990 elections, but there were some other surprises: an unexpectedly robust turnout, and the return to Parliament of both smaller parties. Junior governing coalition partner SZDSZ's success may prove decisive for the continuation of the current coalition. Junior opposition party MDF's survival, however, leaves Orban with the most reluctant of potential partners. The chief opposition party FIDESZ turned in a strong showing but appears to have stretched its umbrella too thin. Post will report on round two's results and analyze their significance for U.S. policy septels.

Tight Race Spurs Robust Turnout

¶2. (SBU) Many observers, including party workers, predicted a turnout for this year's race to come in about 10 points lower than 2002's 70.53 percent in the first round. However, when the polls closed at 7 p.m. Sunday night, 67.83 percent of Hungary's 8.1 million voters had cast ballots nationwide. In Budapest, the figure was even higher, at 74.29 percent. General elections in Hungary have witnessed relatively high rates of voter participation in recent years. In 1994, 68.90 percent participated in the first round; in 1998, the figure was 56.26 percent. (Note: Hungary's voter participation rate is high by regional standards. In general elections last fall, only about 40 percent of Poles went to the polls to cast their ballots. In presidential elections in Slovakia two years ago, the rate was 43 percent, and turnout was 58 percent in elections in the Czech Republic in 2002.)

¶3. (SBU) Another tight race, in addition to the beautiful spring weather, may have contributed to this year's high voter turnout. Another factor: Hungarians for the first time are able to cast their ballots in polling stations away from their home districts (if they signed up to do so ahead of time), and even those who were out in the provinces on vacation or in their vacation homes that day could and did vote. This year, for the first time, it was also possible to vote at Hungarian embassies abroad. In recent weeks and months, all four parliamentary parties have been urging their supporters to go and vote. In particular, FIDESZ had waged a significant "get out the vote" drive, with volunteers calling upon sympathizers three times each in the final days of the

campaign, using lists created over at least two years of grass-roots campaigning.

Observing the Vote

¶4. (U) Wearing observer badges issued by the National Election Commission, eight teams of Embassy personnel visited more than one hundred polling stations in all regions of Hungary on April 9. Workers at several polling stations told Embosfs that turnout was higher in the morning than at the same time of day four years ago. Along the Danube, polling-station officials told Embassy observers that recent flooding had not impacted turnout "at all." No polling station reporting long lines or wait times. All observers reported that election officials were "friendly and forthcoming." Most polling stations were staffed with six to twelve paid election officials and volunteer workers. Volunteers were from the four parliamentary parties, and appeared to work well together.

Four on the Floor

¶5. (SBU) With 100 percent of the vote counted, all four of the parties currently in Parliament were able to cross the five-percent threshold for entering the legislature. Nationwide, the Hungarian Socialist Party (MSZP) garnered 43.21 percent of the county party-list vote, followed by the joint ticket of the Alliance of Young Democrats and the Christian Democratic People's Party (FIDESZ-KNDP) at 42.03 percent, the Alliance of Free Democrats (SZDSZ) at 6.5 percent and the Hungarian Democratic Forum (MDF) at 5.04

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percent. (Note: In 2004, the results were comparable: the combined FIDESZ-MDF ticket received 41.07 percent, MSZP 42.05 percent and SZDSZ 5.57 percent.)

MSZP-SZDSZ Leads, FIDESZ Hopes for Sleeper Victory

¶6. (SBU) Hungary's electoral system assigns mandates as individual constituencies, party-list seats and national-list seats: In round one, only those individual-constituency races where one candidate won an outright majority were decisive. Sixty-six of the 176 individual-constituency races were decided at the first go, with MSZP winning 33 such seats, joint MSZP-SZDSZ candidates winning in five, and FIDESZ winning 29 seats. Neither SZDSZ nor MDF won a clear first-round majority in any individual race. (Note: In 2002, by comparison, only 45 individual constituencies were decided in the first round.) When county party-list seats are added in, the totals reach 105 seats for MSZP, four for the joint MSZP-SZDSZ ticket, and four for SZDSZ alone (thus 113 for the governing coalition); plus 97 for FIDESZ and two for MDF, all out of a total of 386 mandates.

(SBU) As a result, only the second round on April 23 will decide who forms Hungary's next government. Political scientist Zoltn Lakner commented on Hungarian State Television that, in order to win, FIDESZ needs some 65 of the 110 individual mandates to be decided in round two, and cannot win them without MDF support. According to FIDESZ party president Orban, the party may need as many as 75 of the 110 undecided mandates. (Comment: That will indeed be a tall order in those districts where FIDESZ led in the first round but failed to attain a majority. In a number of those districts, MDF also qualified for the second round by proving itself one of the top three vote getters. FIDESZ and MDF have little more than burnt bridges to link them at this point, however.)

FIDESZ: What Went Wrong?

17. (SBU) Despite Orban's combative demeanor as election night came to a close ("we'll see who laughs last"), the FIDESZ leadership must be disappointed with its performance. The April 9 contest left it slightly behind (1.1 percent) the governing MSZP in the party-list category and 7.7 percent behind when junior governing coalition party SZDSZ's 6.5 percent is added to the MSZP's party-list total. It trails in individual-mandate tallies as well. What went wrong for FIDESZ? Although the results of the April 9 contest will have to be analyzed carefully, hindsight suggests a number of tactical and strategic errors:

-- FIDESZ's efforts to court a new electorate may have come at the expense of its core voters, some of whom may have been put off by its embrace of statism and populism;

-- anecdotal evidence suggests some of the electorate may have rejected FIDESZ's contention that they were indeed "worse off" now than four years ago. FIDESZ's shift to a more positive message in the last three weeks of the campaign cycle can be read as a tacit admission that its more negative message was wide of the mark;

-- the party's effort to effect a hostile takeover of junior opposition party MDF failed. The President of the public opinion research firm Tarki, Istvan Toth, told Embassy April 10 that FIDESZ had "stretched its umbrella too thin." In particular, he thought FIDESZ's courting of Hungary's proletariat had cost it the votes of "urban, well-educated, rightist" voters, many of whom had made an eleventh-hour decision to vote for MDF;

-- it is possible that FIDESZ's declared state of perpetual war with the Socialist Party has worn thin with an electorate anxious for the a less adversarial political climate.

Regional Variations

18. (SBU) (Note: The distribution of mandates from the national lists of the four parties will only be calculated after the second round of voting.) Of Hungary's twenty counties (including Budapest), MSZP took the most votes in 11 and FIDESZ-KNDP in 9. Budapest, with its 28 county-list mandates up for grabs, proved decisive for the two smaller

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parties. SZDSZ won a full 12.28 percent of the vote in the capital, good for 3 of the party's 4 mandates, and MDF 5.3 percent, which gave it one of its two mandates. The party-list races in roughly one-third of the counties were extremely close, with the margin of victory between the two main parties narrowing to a mere 2 to 4 percentage points. Interestingly, the two westernmost counties (Vas and Zala) gave FIDESZ the most solid support, while Borsod County, in the far northeast, turned out in strength for MSZP. (In Vas, FIDESZ polled 50.8 percent to the MSZP's 35.65. In Zala, 49.67 to 37.26. In Borsod, it was MSZP that won 50.94 percent to FIDESZ's 37.26.)

SZDSZ: Stronger Hand
in Budapest

19. (SBU) SZDSZ performed rather better than most pollsters had anticipated. The party's strenuous efforts to mobilize its voters appears to have paid off, particularly in Budapest, where SZDSZ picked up 20,000 more votes than in 2002. Budapest accounts for nearly half of the 351,000 votes that SZDSZ received nationwide. SZDSZ may have FIDESZ to

thank at least in part for its relatively strong showing, as certain elements of the main opposition party's campaign --such as the attack on single people by FIDESZ "deputy prime minister-designate" Istvan Mikola-- may have brought some voters to the ballot box who otherwise might have stayed home.

MDF's Surprise Victory

¶10. (SBU) To the surprise of all polling companies and observers here, MDF safely crossed the critical five-percent margin for entering Parliament. At the Parliament Cafe, where the party had set up its election-night headquarters, hope mounted as the returns trickled in and MDF's proportion of the vote inched upward. The room burst into cheers as the party nudged over the critical threshold by the slim margin of 0.05 percent, representing a scant 1,400 votes nationwide.

For months, polls had consistently placed support for MDF between three and four percent. The party's unexpectedly strong performance may be attributed to a well-run campaign, state-media coverage (which David gave thanks for while on the air), David's own highly-popular persona, and an anti-Orban protest vote on the right. (Comment: As David has noted, the key result of MDF's continuing presence in Parliament is that Hungary's right wing will not be represented solely by FIDESZ. In David's final election-night statement she said unequivocally, again, that MDF would not support Orban's return to power -- thus appearing to diminish FIDESZ's chances of winning a majority of the seats up for grabs in the second round, where the unified left is poised to face a divided right wing. Cynics on the right will charge that pro-government state media consciously gave MDF air time in order to divide the right; others may shrug that equal time is an established principle.)

High-Profile Individual Races

¶11. (SBU) There were no particular surprises for many of the key figures in national politics who ran in individual districts. MSZP party president Istvan Hiller shot into first place in Budapest's 29th electoral district, with 20-plus percent votes more than his FIDESZ rival. Parliament Speaker Katalin Szili (MSZP) recaptured a safe seat in the southern Transdanubian town of Pecs. Ildiko Lendvai, MSZP's faction head in Parliament, has won a plurality of votes in her district, but she will need to wait for the second round to find out whether she can best FIDESZ's candidate. Janos Koka, the SZDSZ Minister of Economy and Trade, is in second place in his affluent Budapest district, trailing FIDESZ District Mayor Gabor Tamas Nagy by four percent. Surprisingly, MDF party president Ibolya David is in third place in her home constituency, a small town in western Hungary. David, with just 12 percent of the vote, does not stand a real chance against her FIDESZ opponent, but will enter Parliament regardless on the MDF national list. Prominent SZDSZer Matyas Eorsi will also have to rely on his party's list, as he is at third place in his Budapest district, with only 9 percent of the vote. SZDSZ party president Gabor Kuncze's situation is similar: in his Pest county town, he is in third place, with 19 percent of first-round votes. MSZP senior figure Imre Szekeres, on the other hand, is in a rather secure first place in his

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district, with 46 percent of ballots cast in his favor.

Comment

¶12. (SBU) Although FIDESZ clearly has its work cut out for it, MSZP cannot afford to relax. Up for grabs are the remaining individual mandate seats. It appears that MSZP has

the lead in 57 of those races, but much can change between now and April 23. A key figure in the outcome may be the MDF's President Ibolya David. Although she appears to have decisively rejected a coalition with FIDESZ, she will be courted relentlessly by Viktor Orban, and there will be pressure from some in her party. The outcome at this juncture is difficult to predict, as the last elections showed: in 2002, FIDESZ was similarly behind the curve after the election's first round, but had fought its way back to near-victory by round two. Clearly, Orban hopes for a similar sprint to the finish line this time around.

¶13. (U) Visit Embassy Budapest's classified website:
www.state.sgov.gov/p/eur/budapest/index.cfm
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